



**ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION**

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

**KENTUCKY DIVISION OF WATER
SOURCE WATER PROTECTION ASSISTANCE PROGRAM**



Source water protection is a common sense approach to guarding public health by protecting drinking water supplies. Ensuring safe and adequate drinking water supplies requires maintaining the quality and availability of present and future water supply sources. In the long run it is less expensive and more protective of public health to prevent contamination than to treat water to meet health standards. Similarly, it is less expensive to protect and maintain existing sources than it is to develop new ones. New contaminants of concern continue to emerge, potentially requiring more costly treatment of source waters if they have not been adequately protected. Municipalities and water suppliers have crucial roles in managing activities that affect source water quality and availability. Kentucky Division of Water's primary role is to provide technical and financial assistance and to enforce state regulations that serve to protect the state's sources of drinking water. Effective protection relies on the combined efforts of the federal and state agencies, water suppliers, municipalities, businesses, institutions and communities whose activities have the potential to affect the source.

Source Water Protection Funding Guidelines:

Section 1452 of the federal Safe Drinking Water Act provides funds for source water assessment and protection. These funds are a potential source of support for drinking water protection projects in Kentucky. Applicant and project eligibility and special conditions of these funds are described below, followed by information about project applications, rankings, and selection.

The Kentucky Division of Water (KDOW) is pleased to announce the availability of funding for source water protection projects. The Source Water Protection Assistance Program (SWPAP) is designed to provide communities with funding to develop and/or implement projects to protect public drinking water sources within a one year period. Funding is limited to Public Water Systems, Municipal Entities, or Nonprofits under 26 U.S.C. sec.501 (c)(3) and cannot exceed \$60,000 per project.

Applicant Eligibility:

- Public Water Systems
- Municipal Entities
- Units and subunits of local governments
- Special Districts (including water districts or conservation districts)
- Associations
- Nonprofits under 26 U.S.C. sec.501 (c)(3)
- Educational Institutions

Project Eligibility:

Applications that do not meet the eligibility requirements are not considered for funding. Eligible projects include those associated with source water protection measures. Source water protection efforts protect the source of drinking water prior to reaching the drinking water system. Projects specific to the treatment, transmission, distribution, consolidation, or storage of the drinking water system are not eligible for funding. The funds cannot be used for personnel or to purchase equipment associated with system operation and maintenance, water treatment, purchasing land, and system infrastructure upgrades or improvements (including water meters). Loans are available for system infrastructure upgrades or improvements and, under unique circumstances, land acquisition through a separate Drinking Water State Revolving Fund. Funding is intended for projects with a one year implementation time frame and will not cover projects' long-term maintenance expenditures beyond the life of the Memorandum of Agreement (MOA).

Eligible activities include those that lead to a reduced risk of contamination of the drinking water source. Projects must contribute to improved protection of one or more public drinking water supply sources and are expected to provide long-term benefits to source water quality. Projects that implement measures to address contaminants that could impact a drinking water source are eligible for funding. Examples of eligible projects include the following:

- Contaminant source identification (research or monitoring)
- Contaminant pathway removal (closure of abandoned or unused wells)
- Contaminant removal (hazardous waste collection, pollution prevention, and waste reduction)
- Contaminant management (education and implementation of Best Management Practices [BMPs], development and implementation of a Source Water or Wellhead Protection plan, including identification of potential contaminant sources and protection strategies).
- Education and information sharing (brochures, workshops, and media campaigns)

Funding can be used to implement security measures as long as the project protects the source area. Projects that protect the physical extraction structure—wells, springs, or intake structures—are eligible for funding.

Application Submission:

Please fill out the application form, including the project narrative and budget, and provide any additional documentation as required. Please note that the program encourages projects that support Source Water Protection Plans and demonstrate a high likelihood of effective implementation. If you have a source water protection project that has the potential to be implemented within one year and would like to pursue funding, this packet explains program eligibility and procedural requirements for applications.

Interested applicants are encouraged to contact KDOW staff with any questions regarding proposed projects and eligibility criteria.

Completed applications must be submitted to KDOW by
March 1

Applications can be mailed OR emailed to:

Laura Norris
Kentucky Division of Water
Watershed Management Branch
300 Sower Boulevard, 3rd Floor
Frankfort, Kentucky 40601
Laura.Norris@ky.gov

- Information, document and forms regarding the program are available at the KDOW website at: <http://water.ky.gov/groundwater/Pages/SWPAssistanceProgram.aspx>

Questions:

For questions regarding proposed projects, contact:

- Laura Norris (502) 782-7029 Laura.Norris@ky.gov
- Rob Blair (502) 782-6893 Robert.Blair@ky.gov

Source Water Protection Program Elements:

In order to be eligible, every project must contribute to improved protection of one or more public drinking water supply sources. The following categories of project elements are not necessarily exhaustive.

1. **Delineation** - Source Water Protection Area (SWPA) delineations have been completed for nearly all sources of water for community and non-community public water systems. SWPAs include Wellhead Protection Areas (WHPAs) for groundwater sources and watershed areas for surface water sources. Kentucky's SWPAs are available as GIS shapefiles (DOW

SWAPP and DOW Wellhead Protection Areas) through the Kentucky Geoportal (<http://kygisserver.ky.gov/geoportal/catalog/main/home.page>) and are a part of Kentucky's Watershed Viewer (<http://eppcgis.ky.gov/watershed/>). Funds can be used to refine SWPA delineations using additional site-specific information.

2. **Assessment** – Applications for assessment projects should explain how the project will support the implementation of source water protection measures and should convincingly demonstrate a high likelihood of implementation.

A) Inventory – Projects may involve improving upon existing contaminant source inventories, expanding the inventory of land uses or existing and potential point and non-point sources of contamination, establishing a water quality monitoring program* or inventorying relevant local protection ordinances.

* May require the preparation of a Quality Assurance Project Plan. See Project Requirements.

B) Evaluation – Projects may involve evaluating existing and potential threats to water quality, as well as existing protection measures. This may include prioritizing potential threats or protections based upon new or more detailed information.

3. **Planning** – Funds can be used to identify appropriate protection measures, such as educational programs, programs to ensure implementation of Best Management Practices (BMPs), local land use regulations, adoption of source water protection rules, land acquisition, etc. Applications for planning projects should explain how the project will support the implementation of source water protection measures and should convincingly demonstrate a high likelihood of implementation.

4. **Implementation** - Funds can be used to implement protection and security measures in Source Water Protection Areas. This can include implementation of any of the measures listed under #3-Planning, with the exception of land acquisition. Funds can be used to prioritize lands for conservation but cannot be used to purchase lands or easements. Funds can be used for land transaction costs associated with permanent protection of SWPA lands, such as: performing land surveys as a precursor to land acquisition, associated legal and transaction costs (including required stewardship fees in accordance with a conservation organization's written policy regarding such fees), title opinion, attorney fees, baseline documentation and stewardship plans. Funds cannot be used for projects eligible for loans under the Drinking Water State Revolving Fund, such as "system-side" conservation (e.g., leak detection, system audits and metering). See <http://water.ky.gov/Funding/Pages/DrinkingWaterStateRevolvingFund.aspx> for more info on Kentucky Drinking Water State Revolving Fund.

5. **Security** - Funds can be used to implement security measures, as long as the project protects the source itself. This can include fencing around wells or intakes and other buildings as well, as long as the source is part of the fenced-in area. Gates for well and intake access roads are eligible, along with access control for those areas. Alarms, signs, cameras, locks and lights for sources are also eligible. Applications for security projects should include a detailed cost breakdown identifying components that will protect sources and those that will

protect other portions of the water system. Funds cannot be used to implement security measures unless the source is directly protected as a result of the project.

General Project Requirements:

- Project must be completed within a one year time frame.
- Phased projects may be considered in subsequent years for funding.
- The funding for any one project cannot exceed \$60,000.
- Projects with matching funds may score higher during application rankings, but are not required.
- Projects must address active or planned sources for public drinking water systems. Planned sources must have at least a preliminary evaluation report or concept plan to be submitted to KDOW. KDOW encourages projects that encompass a broader geographic scope (such as an aquifer, a watershed, a municipality or some other area) if multiple public drinking water supply sources are included.
- Projects must address some component of a source water protection program; examples are provided above under the Source Water Protection Program Elements Section.
- Applications for delineation, assessment or planning projects must convincingly demonstrate a high likelihood of implementation (See item #4 under Source Water Protection Program Elements Section). This can be done with signed letters of commitment from individuals, committees, boards or others who would be responsible for implementation. Such letters should demonstrate that the stakeholders understand and are committed to implementing source water protection as an outcome of the project. In many cases, implementation will require action by a local planning committee or other select board. In such cases, the letter should reflect a majority vote of the board, not just one individual member.
- If property is not owned by applicants, landowner consent for equipment or BMP installation(s) will be necessary to proceed. Selected projects will be required to include: 1) operation and maintenance documentation; and 2) signed operation and maintenance agreements.
- Projects involving the collection, analysis or manipulation of environmental (e.g., water quality) data, if selected for funding, will require a Quality Assurance Project Plan (QAPP). The QAPP must be approved by KDOW and the U.S. Environmental Protection Agency (EPA) prior to the commencement of this work. Applicants must include the preparation and implementation of this plan as a specific task and as an item in the budget or may propose to work under a currently approved QAPP. Keep in mind that it usually takes several months to complete the QAPP writing and approval process. For guidelines on the timeframe required for development and approval of QAPPs, visit the KDOW website at <http://water.ky.gov/Pages/QualityAssurance.aspx>.
- Funds can only be awarded for work done after final Memorandum of Agreements (MOAs) have been issued by KDOW. This may take several months after KDOW selects the project for funding (see Grant Approval Process and Required Documents Section below). Therefore, project funding may not be available until mid-August of each year.

Funding Approval Process:

Once received, applications are evaluated by a review team for eligibility and ranked according to established criteria (see Ranking Criteria). Note that the ranking criteria are designed to afford significantly more points for projects that support Source Water Protection Plans and demonstrate a high likelihood of effective implementation. In addition, more points are awarded for matching funds, the overall quality of the application and project staff qualifications.

Once the projects are selected for funding, the applicants will be contacted by Source Water Protection Staff. If selected projects require modifications before approval, applicants will be contacted.

Funding recipients must enter into a MOA with the State of Kentucky. KDOW will use the information provided in the application to prepare the MOA and exhibits, which will be forwarded to the applicant for review. If acceptable, the MOA must be signed, initialed, notarized and returned to KDOW.

Once the MOA is received and approved by KDOW, a copy will be sent to the applicant and the project may begin. The use of federal funds exceeding \$2,500 requires applicants to go through a competitive bid process involving construction projects (fencing, gates, etc.) and make a good faith effort regarding disadvantaged businesses. At a minimum, the competitive bid process should involve soliciting two to three quotes from different potential vendors.

Applicants selected for funding will be required to submit progress and reimbursement forms, and a final report.

Program Timeline and Reporting:

- **January 1** - Funding Open Call
- **March 1** - Application Submission Deadline
- **May 1** - Applicants Notified
- **Mid-August** - Applicants receive MOAs and projects begin

Regular progress reports will be requested by SWPAP staff, to be submitted in the ***Quarterly Report and Reimbursement Form***. The last quarterly report serves as the final project report and should include summary information about the project's completion. All reports and invoices must be approved by the Division of Water prior to reimbursement distribution. Project periods will run from approximately mid-August to December of the following year.